

Managed Risk Medical Insurance Board
April 16, 2008 Public Session

Board Members Present: Cliff Allenby, Areta Crowell, Ph.D., Sophia Chang, M.D., M.P.H., and Richard Figueroa, M.B.A.

Ex Officio Members Present: Augustin Jimenez (on behalf of the Secretary for Business, Transportation and Housing), Bob Sands (on behalf of the Secretary for California Health and Human Services Agency), and Jack Campana (representing the Healthy Families Advisory Panel).

Staff Present: Lesley Cummings, Laura Rosenthal, Shelley Rouillard, Teresa Krum, Janette Lopez, Ernesto Sanchez, Ronald Spingarn, Cynthia Reed, Larry Lucero, Thien Lam, Will Turner, Seth Brunner, Naomi Yates, Joanne French, Ruth Jacobs, Irma Michel (Acting), Marlene Ricigliano, Larry Lucero, Cristal Schoenfelder, Dianne Ehrke, Jackie Ratcliff, and Maria Angel.

CALL TO ORDER

Chairman Allenby called the meeting to order at 10:00 a.m. The Board then went into Executive Session. It reconvened for public session at 11:04 am.

REVIEW AND APPROVAL OF MARCH 19, 2008 PUBLIC SESSION MINUTES

The board reviewed the minutes from the March 19 meeting. Dr. Crowell moved to approve the minutes and the motion unanimously passed. The minutes are available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Public03-19-08draft.pdf.

STATE BUDGET UPDATE

Teresa Krum, Deputy Director for Administration, reported that budget hearings were held in the Senate on April 7th and in the Assembly on April 14th. MRMIB staff testified at both hearings. The committees took no actions. MRMIB's budget is set for another Assembly hearing on April 28th. MRMIB staff anticipate additional hearings will be held in both houses.

Chairman Allenby asked for any questions or comments. There were none.

STATE LEGISLATION UPDATE

[Regular Legislative Session](#)

Will Turner, Legislative Coordinator, presented a summary of the regular session bills, highlighting AB 2847, AB 2861, AB 1945, AB 2653, AB 2902, AB 2967, SB 1440, SB 1459, SB 1522, and SB 1593. The document is located at [www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_5a_Legislative Summary_4-16-08.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_5a_Legislative_Summary_4-16-08.pdf)

Mr. Turner noted upcoming legislative deadlines: May 2 (last day for policy committees to meet prior to June 2nd and to pass non-fiscal bills to floor of their house of origin); May 23 (last day for fiscal committees to meet prior to June 2nd and to pass fiscal bills to floor of their house of origin); June 2 (committees may resume meeting), and; August 31 (last day for any bill to be passed by legislature). Breaks begin on May 2nd for policy committees and on May 23rd for fiscal committees and hearings may resume on June 2nd and regular session ends August 31st.

Chairman Allenby asked for any questions or comments.

Dr. Crowell asked a question regarding SB 1459, the Cal Health Act. She wondered whether it would require MRMIB to recommend uniform benefits on privately sold and marketed coverage for children only or also for adults. Mr. Turner said that provision was deleted in a recent amendment along with provisions that would have required California Health and Human Services Agency to convene a working group and would have required MRMIB to run a pilot program.

Dr. Crowell asked if MRMIB staff testified on AB 2653, the hospital access pass bill. Ms. Cummings, Executive Director, said that staff would not testify on a bill unless the Board had taken a position on it. The Board has not taken a position on AB 2653. Dr. Crowell asked whether staff did not provide comments to the fiscal committees on the workload associated with bills. Ms. Cummings replied that MRMIB staff does provide information to fiscal committees about the potential cost to implement bills.

SPECIAL LEGISLATIVE SESSION

Ronald Spingarn, Deputy Director Legislation and External Affairs, said that there is nothing to report on this agenda item.

FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY

Mr. Spingarn introduced Cynthia Reed who had taken a new job in Los Angeles where she soon will continue working on health policy issues. He noted that today's presentation will be her last and that she was tremendously valuable to the work MRMIB staff did on SCHIP reauthorization last year.

Ms. Reed reported that Senator Rockefeller (West Virginia) had introduced Senate Bill 2819, which, among other things, prohibits implementation of the Centers for Medicare and Medicaid Services (CMS) directive issued on August 17th until after April 1, 2009. President Bush is not expected to support the bill.

In a related California measure, Assembly Member John Laird introduced Assembly Joint Resolution 54 urging President Bush and Congress to rescind the CMS August 17th directive. MRMIB staff will closely monitor this.

Two other federal bills of interest address mental health parity: House Resolution 1424 (Kennedy (D) – Rhode Island) and Senate Bill 558 (Dominici (R) – New Mexico). HR 1424 would require coverage of all mental illnesses and substance abuse disorders included in the Diagnostic and Statistical Manual of Mental Disorders. S 558 would provide more flexibility to health plans and insurers, allowing them to determine what mental health conditions to cover, but expanding coverage of covered disorders to be equivalent to medical conditions. The Healthy Families program, Access for Infants and Mothers program, and the Major Risk Medical Insurance Program have some benefit limits on mental health coverage. These benefits would likely be impacted under the House or Senate bills, which are both in conference committee. President Bush and many plans and employers are more supportive of the Senate bill. MRMIB staff will continue to monitor the bills and will report relevant activity to the board.

Dr. Crowell said that the Senate bill's limitations would apply only to conditions that are not serious mental illnesses as in California. There can be no limits on this coverage under California law.

Chairman Allenby, Members Crowell Figueroa and Ex-Officio Member Campana wished Ms. Reed good luck in Los Angeles.

Ernesto Sanchez, Deputy Director of Health Care Reform, summarized proceedings of an April 9th U.S. Senate Finance Committee, Subcommittee on Healthcare hearing regarding the August 17th CMS directive: Democratic Senators Baucus (Montana) and Rockefeller (West Virginia) said that the directive conflicts with Congressional intent of the original law which allows state flexibility, that it would impede states' ability to cover uninsured children and that some children would lose coverage as a result of it. The Senators also said that requiring a 95 percent participation of eligible children with incomes under 200% does not seem justified. Sen. Rockefeller said that SCHIP has been the only program where concerns about crowd-out have been raised and, for example, it was not raised with Medicare Part D.

Republican Senators Grassley (Iowa) and Hatch (Utah) agreed with the principle of covering lower income children before higher income children, but had serious concerns about how the directive would be implemented.

Dennis Smith, recently resigned from CMS, testified that CMS has authority to implement the directive. He said employer-sponsored coverage declined since SCHIP began and that while 95 percent may be an aggressive standard, nine states probably already meet the standard. He commented that states could use State (not federal) funds if they do not meet federal rules.

Peter Orszag, PhD, Congressional Budget Office (CBO) Director testified that SCHIP had significantly reduced the number of uninsured children, especially those 100

percent to 200 percent of federal poverty level (FPL), and that some amount of crowd-out is inevitable with any public coverage program. He indicated that the directive would be a major impediment for states seeking to expand coverage for children above 250 percent FPL. Dr. Orszag expressed major concerns about the provision requiring 12 months of uninsurance for a child compared with the more widely accepted definition of uninsurance for any portion of a year. He said findings from Johnathan Gruber, Massachusetts Institute of Technology, show that wait lists and increased cost-sharing are not efficient ways to limit crowd-out. If SCHIP didn't serve children, Dr. Orszag said, they would be served at emergency rooms, a fiscally inefficient model, and they would lack coverage for preventative services.

Chris Peterson, Congressional Research Service (CRS) Specialist in Health Care Financing, testified that the directive will force several states to change their programs and it will potentially create different rules for existing versus new subscribers. He said the directive would create unclear data standards for states. He noted that problems exist with the data sources on which CMS might rely to measure state compliance, including Current Population Survey (CPS), U.S. Department of Labor, and Survey of Income and Program Participation (SIPP), U.S. Census Bureau. He remarked no known relevant survey models or data sources can accurately measure compliance with the directive. Any existing sources would need to be adjusted, which is another concern. CRS adjusted the CPS data that showed almost all states have more than 100 percent of supposedly eligible children enrolled, calling validity of the method into question.

Alan Weil, National Association of State Health Policy (NASHP), and Cindy Mann, Center for Children and Families, Georgetown University, also testified. Mr. Weil's testimony is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_6.pdf. Ms. Mann's testimony is available at <http://finance.senate.gov/hearings/testimony/2008test/040908cmtest.pdf>. Other major issues raised at the hearing were the rationale for issuing the directive, whether CMS had authority to bypass the rulemaking process in issuing it, inconsistencies caused by and the motive behind CMS negotiating individually with states about application of the directive, and the impact of the directive on children now enrolled in SCHIP.

A recent NASHP report shows that nine states passed legislation to expand their SCHIP-funded programs and were blocked from doing so by the directive. The report is posted at www.mrmib.ca.gov/MRMIB/HFP/CMS_Directive_Briefing_Paper_NASHP_April_2008.pdf.

CONTRACT AMENDMENTS

[PriceWaterhouse Coopers](#) (PWC). Ms. Krum requested authority to augment the actuary and audit services contract with PWC by \$200,000. Member Figueroa moved to pass the contract amendment. Dr. Chang seconded the motion, which passed

unanimously. The document is located at http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/agenda_item_7.a.pdf.

[Mercer](#). Ms. Krum requested authority to augment the actuary and audit services contract with Mercer by \$200,000. Member Figueroa moved to pass the contract amendment. Dr. Crowell seconded the motion, which passed unanimously. The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/agenda_item_7.b.pdf.

[Sierra Metrics](#). Ms. Krum requested authority to augment the data resolution services contract with Sierra Metrics by \$195,000. Member Figueroa moved to pass the contract amendment. Dr. Crowell seconded the motion, which passed unanimously. The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/agenda_item_7.c.pdf.

[Department of Managed Health Care \(Interagency Agreement\)](#). Ms. Krum requested authority to augment the interagency contract with DMHC to perform medical loss ratio reviews with health plans and insurers by \$400,000. Member Figueroa moved to pass the contract amendment. Dr. Chang seconded the motion, which passed unanimously. The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/agenda_item_7.d.pdf.

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

[Enrollment and Single Point of Entry Report](#)

Thien Lam, Eligibility Operations Division Manager, reported that more than 857,000 children enrolled in the HFP, and more than 33,800 new subscribers joined last month. The majority of those enrolled continue to be Latino and the top five counties for enrollment continue to be in southern California, representing around 60 percent of HFP's total enrollment. Nearly 70 percent of applications received through the single point of entry were sent to the HFP. Single Point of Entry applications increased 8 percent compared with the previous month. The report is posted at http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.a_HFP_Enrollment_SPE_Summary.pdf.

Chairman Allenby asked for any questions or comments. There were none.

[Administrative Vendor Performance Report](#)

Ms. Lam presented the latest report to the Board. The contractor met all of its target goals. The report is posted at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.b_HFP_Admin_Vend_Perf_QA_Rpt.pdf.

Member Figueroa asked if the glitch with the telephones was resolved. Ms. Lam confirmed it was resolved.

There were no public comments or questions.

[Enrollment Entities \(EE\)/Certified Application Assistants \(CAA\) Reimbursement Report](#)

Larry Lucero, Special Projects Section Manager, presented the CAA and EE report. In the current fiscal year, the HFP paid nearly \$4.2 million to CAAs/EEs, an average of nearly \$472,000 per month. In the last month, 230 CAAs became active in March, up from 150 average. The report is posted at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.c_EE_ReimRpt4.16.pdf.

Ms. Cummings noted that the Legislative Analyst's Office had recommended deleting CAA funding in its "alternative" budget proposals. She testified at the Assembly Budget Committee hearing last week that Anthem WellPoint had donated \$15 million to the General Fund for the program and the state has not spent that much yet.

Chairman Allenby asked if there were any public questions or comments. There were none.

[2006 Retention Report](#)

Irma Michel, Acting Deputy Director of Eligibility, Enrollment and Marketing, presented the 2006 HFP retention report. It shows that 80 percent of children remain enrolled after their first year in the program. As far as staff know, this is the highest rate in the country and the highest rate ever for the HFP. There has been improvement in drop-outs due to "possibly avoidable reasons" during annual eligibility review (AER). The administrative vendor works to get information back from families to avert drop outs at AER. The report is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.d_Retention_and_Disenrollment.pdf.

Ms. Cummings noted that the retention rates began markedly improving in 2004 with the advent of the new administrative vendor contract. This is a testament to the ideas of MRMIB staff regarding performance in the vendor contract and to MAXIMUS for its excellent performance. She thanked staff for their contributions and acknowledged Michael Lemberg from Maximus. Chair Allenby, Dr. Crowell, and Member Figueroa complimented Mr. Lemberg and MRMIB staff.

Chairman Allenby asked if there were any public questions or comments. There were none.

[Joint Medi-Cal and Healthy Families Mail-in Application](#)

Ms. Lam presented a revised joint Medi-Cal-HFP application released April 1. It was produced with input from stakeholder groups and staff at Department of Health Care Services and MRMIB. She acknowledged the changes made by the administrative vendors to support the new application. Improvements in it include a reduced reading

level for the text (7th grade from 10th grade), a new checklist showing the documents than need to be submitted, a new frequently asked questions section, and removal of an opt-out option for the programs. The application is available in two new languages: Arabic and Tagalog. The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.e_Revised_Application_English_FINAL.pdf.

Ms. Lam also presented an updated FPL chart, revised as of April 1. The average HFP family size continues to be four persons and average FPL for the HFP is 164 percent (\$34,800). The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.e_Revised_Application_English_FINAL.pdf.

Chairman Allenby asked if there were any public questions or comments. There were none.

[Update on Encounter Database Project](#)

Shelley Rouillard, Deputy Director of Benefits and Quality Monitoring (BQM) updated the board on the status of the Encounter Database Project, last reported on in January. MRMIB staff meet biweekly with Maximus staff who are developing the database, targeted to launch in July. More frequent weekly meetings will begin as the launch date gets closer. MRMIB staff have shared information about the companion guides with the plans that will be involved in the pilot, differentiated for those that can and can not use the Department of Health Services special "837" file format. Encounter and claims data quality checks have been tested and specifications for software requirements have been confirmed and shared, along with other information, with participating plans.

MRMIB staff plan to hold an April 30 conference call with all health plans to update them on the project. Staff will also participate in a May seminar for plans. Maximus is completing development of systems to send, receive and report data. Eventually, the data will be stored in a data warehouse. All plans should be submitting 2006 and 2007 data by August and begin monthly submissions in September. Ms. Rouillard ask the board for input on sample elements for data reports. The samples are located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.f_Encounter_Data_Update.pdf.

Dr. Crowell said she was impressed with the work done and has looked forward to the project for a long time. She suggested looking at utilization data and specific health conditions. Ms. Rouillard said that specific health conditions – primary, secondary and tertiary diagnoses – will be included. Dr. Crowell suggested using "mental condition" instead of "mental illness." Ms. Rouillard agreed.

Dr. Chang complemented the staff's work, and said there should be information about the number of children covered and the number using services, which should look at rates of penetration of coverage and utilization. Ms. Rouillard agreed.

Chairman Allenby also complimented staff on an excellent report. He asked if there were any public questions or comments. There were none.

[Update on Phase II and III Mental Health/Substance Abuse Evaluation](#). This item was taken off the agenda for the meeting.

Dr. Crowell commented that May 8th is National Children's Mental Health Awareness Day and that there are activities across the country regarding the issue, including the education of members of Congress about the issues. She hopes California's health plans are paying attention to the matter.

[Report on Immunization Practices in the Healthy Families Program](#)

Ms. Rouillard thanked Jamie Yang for working on this project and introduced Cristal Schoenfelder, Research Program Specialist, BQM division.

Ms. Schoenfelder also thanked Ms. Yang and participating health plans for their work. HFP provides immunizations recommended by the Advisory Committee on Immunization Practices (ACIP). In 2006, ACIP added the human papilloma virus (HPV) vaccine to its list of recommended immunizations. Stakeholders contacted staff with questions on the vaccine which prompted staff to survey health plans on their methods for tracking performance and educating families about recommended immunizations. The findings show that plans have various methods to remind members about immunizations and plans use various systems to track whether or not a subscriber has had been immunized or needs to be reminded about it.

A few plans rely solely on their provider network to distribute immunization education to members. Nine plans use pay-for-performance programs for provider incentives and all plans report HEDIS data measures on immunization rates. Plans' immunization rates ranged from 16 percent to 94 percent. Blue Shield EPO data showed that 16 percent of children (the lowest rate among plans) received all six recommended vaccinations and 72 percent received at least two of the six vaccinations. Anthem Blue Cross EPO and HMO reported the next lowest rates, 62 percent and 66 percent respectively, with 87 percent having received at least two of six vaccinations. Seven plans reported rates at 90 percent or higher, with San Francisco Health Plan the highest at 94 percent.

Chairman Allenby asked if the plans' rates were compared with their immunization-related activities. Ms. Schoenfelder replied that staff did analyze this and found no correlation. Staff compared rates in Medi-Cal, HFP and commercial coverage. The rates were higher in HFP for 10 of 12 plans where comparisons were possible. The commercial plans' rates were included in the Office of the Patient Advocate's (OPA) HMO Report Card. Staff were unaware until Anthem/Blue Cross brought it to their attention that OPA data was for the combination three measure. Staff will update the data and post it on the MRMIB web site.

Dr. Crowell said that past reports have shown that HFP immunization rates compared favorably with rates in Medi-Cal, commercial plans, and other states' SCHIP programs. Ms. Rouillard said that most national reporting combines Medicaid and SCHIP scores into a single rate. The plan quality report, coming to the board in the next month or two will provide national comparisons.

Ms. Schoenfelder reminded the Board that HFP distributes immunization information, including a suggested immunization schedule and preventative health screening guide, in members welcome packets. The information is also posted online. Staff recommendations are to work with the lowest scoring health plans to improve their immunization rates; establish a 95 percent immunization goal; and encourage plans to submit data to the state immunization information system.

Dr. Crowell appreciated the information and the staff's initiative to figure out what needs to be done to improve the situation. She said the report was informative. Chairman Allenby agreed.

Dr. Crowell suggested that MRMIB staff look at including data under "developmental screening" about "risky and dangerous behaviors and suicidal behaviors" (for teenagers) to remind people of the need for screening for these. She said maybe this should be referred to the Healthy Families Advisory Panel (HFAP). Dr. Chang commented that while she has not had the opportunity to review the data thoroughly, she believes that it is important to be clear on the source for any recommendations.

Ms. Schoenfelder said that staff had reviewed the American Academy of Pediatrics (AAP) guide. It showed a category called "anticipatory guidance," that included "risky behaviors." However, there were multitudes of issues that were included under the "anticipatory guidance" and staff concluded that it seemed inappropriate to choose one or two of them. So staff included "anticipatory guidance" and listed a few of the major components that were important. Staff will look into the issue further and make improvements the next time. Dr. Crowell commented that the purpose was education for the family and she suggested considering footnoting the list of conditions with some items highlighted.

Chairman Allenby asked if there were any public questions or comments.

Verne Brizendine, Blue Shield, said that claims data, not medical charts/records data, were used to determine the plan's immunization rate, and it was inaccurate. Blue Shield has taken steps to use medical chart data this year so its rates will improve.

Sunil Joshi, Anthem Blue Cross said that their low 65 percent immunization rate was due to the loss of 7 to 8 percent of their records by their vendor. These functions have since been brought in-house and they believe their 2008 rates will improve.

Chairman Allenby thanked Mr. Brizendine and Mr. Joshi for working on ways to improve their score.

Regulations Clarifying Coverage of Lead Screening

Dianne Ehrke, analyst in the BQM division, presented proposed regulations regarding lead screening. HFP covers lead screening which is included in one of the preventative health exams. However, it is included by implication, not specific direction. Advocates have sought a more explicit requirement. The California Code of Regulations requires screening of children 12 to 24 months old enrolled in publicly funded programs. Pending Senate Bill 775 would require screening of children before they enter school. Plans will begin reporting in 2008/9 on the percentage of HFP children that are screened on or before their second birthday. Ms. Ehrke reviewed the language in the proposed regulations that would explicitly list lead screening as a benefit.
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_8.i_Proposed_Regulations_for_Lead_Screening.pdf.

Chairman Allenby said that the Board will take action on the regulations at the May meeting.

Chairman Allenby asked if there were any public questions or comments. There were none.

HFP Plan Contract Extensions

Chairman Allenby said that the board intended to adopt resolutions extending health, dental and vision contracts, and state-supported service contracts. The Chairman read the list of health plan contracts the Board is extending: Alameda Alliance JPA, Anthem Blue Cross, Blue Shield of California, CalOptima, CareFirst Health Plan, CenCal Health, Central Coast Alliance for Health, Community Health Group, Community Health Plan, Contra Costa Health Plan, HealthNet, HealthNet Life Insurance Company, San Joaquin JPA, San Mateo, Inc., IEHP Health Access, Kaiser Foundation Health Plan, Inc., Kern Health Systems Group HP, LA Care Health Plan, Molina Health Care of California, San Francisco CHA, Santa Clara CHA, and Ventura County Health Plan. Laura Rosenthal commented that the same list of plans is being extended for state-supported services and that the list did not need to be read again. The Chairman then read the names of the following dental plan contract which the Board is extending: Access Dental Plan, Delta Dental of California, Premiere Access Insurance Company, SafeGuard Dental, HealthNet, and Western Dental Services, Inc. He then read the vision plan contract the Board is extending: Safeguard Vision, Vision Service Plan, and I-Med Vision Care.

Janette Lopez, Chief Deputy Director, commented that the extensions are for a period of four and a half months after the final Budget Act passes.

Dr. Crowell moved to adopt the resolutions. Dr. Chang seconded the motion.

Chairman Allenby asked if there were any questions or comments. There were none.

The motions passed unanimously.

The documents are available at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/agenda_item_8.i.pdf.

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Ms. Lam informed the Board that in March 1,250 new subscribers enrolled, a 25 percent increase over the previous month, bringing the total to more than 9,300 pregnant women. The report is available at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_9.a_AIM_Enrollment_Report.pdf. There were no public comments or questions.

Administrative Vendor Performance Report

Ms. Lam presented the latest report to the Board. The contractor met all of its target goals. The report is available at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_9.b_AIM_Admin_Vend_Perf_Rpt.pdf. There were no public comments or questions.

Financial Report

Jackie Ratliff, Financial Operations Officer, presented the monthly financial report with a slightly modified format from prior reports. The report is available at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_9.c_AIM_Financial_Report.pdf

AIM Plan Contract Extensions

Chairman Allenby indicated that the board intended to adopt resolutions extending health plan contracts and state-supported service contracts for: Anthem Blue Cross, CenCal Health, Contra Costa Health Plan, HealthNet, Kaiser Foundation Health Plan, Molina Health Care of California, Inc., and Ventura County Health Care Plan. Like the HFP extensions, these are for the period of four and a half months after the final Budget Act passes.

Member Figueroa moved to accept the resolutions. Dr. Chang seconded the motion.

Chairman Allenby asked if there were any questions or comments. There were none.

The motions passed unanimously. The documents are available at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/agenda_item_9.d.pdf

Update on AIM Miscarriage Issues

Ms. Rouillard reminded the board that it had adopted regulations in January that reduced the payment a subscriber must pay for AIM coverage when she experienced a miscarriage during the first pregnancy trimester. Advocates supported this change.

However, they raised concerns about an additional problem, that of women being retroactively disenrolled when they miscarry and fail to notify MRMIB of the event. AIM covers women for 60 days after the end of pregnancy. When the administrative vendor is aware that a pregnancy has ended, it notifies the woman that her coverage will be ending. However, such notice is not provided when the vendor is unaware that the pregnancy has ended. Under the regulations, MRMIB's administrative vendor would retroactively terminate coverage to the 60th day after pregnancy ends.

At the January meeting, advocates suggested that the Board require plans to require providers to report miscarriages, thus removing the burden from the woman who miscarried. They also had additional suggestions to improve the process. The Board asked staff to meet with the advocates to discuss their suggestions.

MRMIB staff contacted participating health plans about the proposal to place responsibility for reporting miscarriages on providers. The plans expressed concerns that doing so would put an additional burden on providers which could impact providers' willingness to participate in the program. Some plans said they would have to alter provider contracts and would incur additional costs, and that they might have to file contract amendments with the Department of Managed Health Care. Plans have said they are often not notified about a miscarriage and that some women who miscarry do not go back to a doctor. When plans are notified, sometimes the data is not reported until after the 60 day coverage period ends, which means retroactive termination would still be a problem.

Ms. Rouillard indicated that MRMIB staff recommend keeping the current requirement unchanged. However, staff will continue working with advocates to look at ways to facilitate notifying women about this reporting obligation when they sign up for AIM. Staff are considering revising welcome letters sent to each enrolled woman, including a form in the AIM handbook to report the end of pregnancy, and revising the handbook to address both the premium reduction issue and the need to notify MRMIB staff if the pregnancy ends. Staff has provided advocates with drafts of the letter and reporting form. Shortly, they will send advocates the handbook changes to review. MRMIB staff concur that the program needs to clearly notify women of their obligation to notify MRMIB and are taking steps to make sure this happens up front instead of after the fact.

Chairman Allenby noted that the Board is also changing the way plans are reimbursed for AIM and that the change would help address the problem.

Ms. Lopez concurred, noting that plan payment will be more consistent with the timing of plan costs. MRMIB will use a capitated payment during the time a woman receives prenatal care and then provide a lump sum in the month they deliver to cover delivery and post-partum care. MRMIB staff believes the revised approach will motivate plans to notify MRMIB staff after a miscarriage or delivery. Chairman Allenby concurred, noting that the biggest payment a plan will receive is associated with a delivery or miscarriage. Ms. Lopez agreed, adding plans would also not want to continue receiving capitation payments knowing that they will be returned for first trimester pregnancies.

Chairman Allenby asked if there were any more questions.

Lucy Quacinella, representing Maternal and Child Health Access (MCHA), expressed her disappointment that MRMIB was choosing not to put responsibility for informing the program about a miscarriage on the parties she stated were best suited to do so. She cautioned that a woman who has experienced a miscarriage is in the worst position to do so as she may be experiencing post-partum depression. She stated her understanding from MRMIB staff that only about 63 women annually experience these early miscarriages. The financial impact on these women is huge, but is relatively insignificant to plans. The financial impact is even greater given that the woman will be billed as a private pay person, not an insured person. She also expressed disappointment that advocates had not been told that staff were not recommending placing the reporting responsibility on the provider until last week. To do effective advocate work, more notice is needed. Despite her disappointment, she does have some additional ideas for consideration which she will discuss with staff later. Chairman Allenby encouraged her to keep the dialogue up.

Ms. Quacinella also expressed concern that the regulations the Board adopted were being described as “the first trimester rule.” While the regulations do contain that provision (which is a good change), there are other major unrelated changes, such as repealing the 20-day prior notice requirement for termination, which affects all subscribers. Its elimination is a huge issue for MCHA. She emphasized that MCHA would not want to delay the premium reduction associated with first trimester miscarriage, but is opposed to the elimination of the 20-day prior notice. MCHA will submit comments as part of the formal OAL comment period. She also would like to meet with MRMIB staff to discuss the issues in sufficient time that the comments can be addressed as part of the OAL process.

Chairman Allenby thanked Ms. Quacinella for her comments and asked staff for any comments.

Ms. Rosenthal commented that staff has had, and will continue to have, a very substantial dialogue with the advocates. She expressed interest in hearing the additional ideas Ms. Quacinella indicated she was developing, noting that it had simply not been feasible to require providers to notify MRMIB about miscarriages.

Ms. Rosenthal proceeded to comment on the regulatory process, now in the formal promulgation process. That process calls for taking written and oral comments during the public hearing on the regulations. OAL will provide notice of the regulation in its April 18 bulletin. The appropriate forum for the Board to consider or reconsider regulatory issues will be following the public comment period.

She clarified that the proposed regulations do not eliminate prior notice for all AIM disenrollments. Instead, the regulations replace existing language now applicable to all disenrollments with language that specifies the effective date of disenrollments by the different categories of disenrollment.

And while the regulations do eliminate the 20-day prior notice language that could be read as applying to women who are disenrolled because they are beyond 60 days of coverage following delivery or miscarriage, this is not a new development and, in fact, was the focus of advocate discussion at the Board meeting in January on the regulations. It is only possible to give advanced notice of the termination of coverage when the program is aware of the date that pregnancy ended. Staff is working to beef up efforts to make sure a woman knows of her obligation to do so.

Chairman Allenby suggested that staff continue the dialogue with the advocates. Ms. Rosenthal replied that staff will be accessible, and emphasized again that the appropriate forum to consider comments on the regulations was as part of the formal process.

Marnie Musser, March of Dimes, said she supports Ms. Quacinella's points and that advocates did want the opportunity to suggest some alternatives.

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

[Enrollment Report](#)

Naomi Yates, Health Policy Manager, presented the latest report to the Board. As reported at last month's meeting, MRMIB enrollment closed on March 14. However, enrollment had already been offered to some persons with an effective date of April 1st and this was honored. Thus, 187 persons enrolled in March for a 7,820 total enrollment for that month. There were 270 disenrollments in March and on April 1,262 persons were on the waiting list. The report is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_10.a_MRMIP_Enrollment_Summary.pdf.

Chairman Allenby asked if there were any questions or comments. There were none.

[Update on Enrollment Cap and Waiting List](#)

Ms. Yates presented a table and graph presenting detail on the waiting list. The data are from the period, December 2007 to April 12, 2008. In December, the waiting list reached 262 persons due to closed enrollment and 77 due to deferral (339 total). As of April 12, the numbers had already reached this level again. MRMIB staff are updating the chart weekly and posting it at www.mrmib.ca.gov under the MRMIP section of "What's New" reports. The report is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_10.b_Weekly_Wait_List_MRMIP.pdf

Chairman Allenby asked if there were any questions or comments. The Chair and Dr. Crowell expressed sadness at the news about the wait list.

Administrative Vendor Performance Report

Ms. Yates presented the latest report to the board. All of the standards were met. Phone calls have gone back to normal levels since the \$450 deductible began. The report is available at

www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_10.c_MRMIP_Admin_Vend_Perf_Rpt.pdf

Chairman Allenby asked if there were any questions or comments. There were none.

Financial Report

Ms. Ratcliff presented the latest report to the board. The report is available at

www.mrmib.ca.gov/MRMIB/Agenda_Minutes_041608/Agenda_Item_10.d_MRMIP_Financial_Report.pdf.

Chairman Allenby asked if there were any questions or comments. There were none.

2008-09 MRMIP Health Plan and Administrative Vendor Contract Extensions

Chairman Allenby asked for a motion to adopt all resolutions for this item to extend contracts for Anthem Blue Cross, Blue Shield of California, Contra Costa Health Plan and Kaiser Foundation Health Plan. Member Figueroa made the motions, seconded by Dr. Chang.

Chairman Allenby asked if there were any questions or comments. There were none. The motion passed unanimously.

There being no further business to come before the Board, Chairman Allenby duly adjourned the meeting at 12:25 pm.